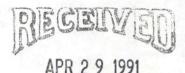
BARRICK

BARRICK RESOURCES (USA), INC.

April 24, 1991

Mr. Don A. Ostler, P.E. Executive Secretary Utah Water Pollution Control Committee P.O. Box 16690 Salt Lake City, Utah 84116-0690

Dear Mr. Ostler:



DIVISION OF OIL GAS & MINING

Subject: Reservation Canyon Tailings Impoundment

Barrick is in receipt of Mr. K. Bhayani's letter dated April 4, 1991, a copy of which is attached, pertaining to the Reservation Canyon impoundment. Upon our review, we are concerned that our anticipated 1991 construction schedule may be in jeopardy if prior resolution of all issues pertaining to the application for a groundwater discharge permit is required.

We would like to clarify with the Bureau that the approval process for at least the 1991 construction and the groundwater discharge permit application review could proceed on independent tracts. The proposed expansion/modification of the Reservation Canyon impoundment will continue to employ current, if not improved, technology to enhance environmental compatibility and minimize the potential for contaminant migration. A greater potential threat comes from operating the impoundment to the very limits of its current design capacity while awaiting approval of the groundwater discharge permit.

I am willing to discuss this issue with you at the earliest possible moment should you have any questions concerning this letter. As this year's construction season is fast approaching, timely resolution is necessary.

Respectfully,

Glenn M. Eurick

Environmental Affairs Coordinator (USA)

GME/cg

Attachment

cc: G. M. Eurick

G. M. Eurick C. L. Landa

C. O. Olsen

T. B. Faddies
W. Hedberg (DOGM)

M. P. Richardson

R. R. Sacrison D. P. Beatty

J. Trujillo (Tooele County)

D. R. Bird (Parsons, Behle & Latimer)

G. W. Condrat (Dames & Moore)

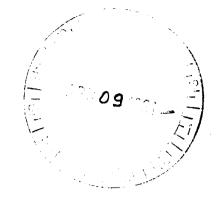


State of Utan DEPARTMENT OF HEALTH DIVISION OF ENVIRONMENTAL HEALTH

Norman H. Bangerter Governor Suzanne Dandoy, M.D., M.P.H. Executive Director Kenneth L. Alkema

288 North 1460 West
N.P.H. P.O. Box 16690
Alkema Salt Lake City, Utah 84116-0690
Director (801) 538-6121

April 4, 1991



Frank Wicks General Manager, Barrick Mercur Gold Mines P.O. Box 838 Tooele, Utah 84074-9737

RE: Re

Reservation Canyon Tailings

Impoundment Storage Capacity Expansion

Dear Mr. Wicks:

We have received, on March 7, 1991, your submittal in the form of a document entitled "Reservation Canyon Tailings Impoundment - Request for Permission to Proceed with Construction, January 23, 1991."

Please be advised that the review and approval process for the issuance of a construction permit for this project will continue concurrently with that for the groundwater permit. As mentioned in your transmittal letter for the subject submittal, the application for the groundwater permit was expected on or before April 1, 1991.

Please let us know if you have any questions.

Sincerely,

Kiran L. Bhayani, P.E., D.EE., Manager

Design Evaluation Section

Bureau of Water Pollution Control

CCP:rvg

cc:

Fred Nelson, Asst. Attorney General Larry Mize, Groundwater Protection Section

N:BRKTALNG.LTR

FILE:BARRICKMERCUR

BECISIVE OF

APR 2 9 1991

DIVISION OF OIL GAS & MINING